GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2053
ANSWERED ON:28.11.2016
New National Steel Policy
Charitra Shri Ram;Dhruvanarayana Shri Rangaswamy;Kothapalli Smt. Geetha;Patil Shri Bheemrao Baswanthrao

Will the Minister of STEEL be pleased to state:

(a) whether the Government proposes to revisit the existing National Steel Policy, if so, the details and the salient features thereof;
(b) whether the Government proposes to enhance the steel production capacity to 300 million tonnes by the year 2025, if so, the details thereof along with the steps proposed to be taken in this regard;
(c) whether the global glut and surge in the import prices of steel has adversely affected the domestic steel industry, if so, the details thereof; and
(d) the corrective steps taken by the Government to provide adequate financial support for revamping the domestic steel industry?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a) Yes, Madam. The Government proposes to revisit the existing National Steel Policy. It is at conceptual stage.

(b) Yes, Madam. Based on the decision taken in the meeting of High Level Committee on Manufacturing held on 09.07.2013 to achieve the ambitious target of 300 Million Tonne Per Annum (MTPA) steel production capacity by 2025, a concept of Special Purpose Vehicle (SPV) was enunciated. Four mineral rich states, namely, Chhattishgarh, Odisha, Karnataka and Jharkhand were identified for setting up of Integrated Steel Plants through SPV route, Memorandum of Understanding (MoU) has been signed with the State Governments of Jharkhand and Chhattisgarh.

(c) Yes, Madam. It has resulted in erosion of profits of domestic steel companies and has resulted in Non- Performing Assets (NPAs) of domestic steel companies.

(d) The Government has taken the following steps to provide support to the domestic steel industry:

i. To ensure that only quality steel is produced and imported, Government has notified Steel and Steel Products (Quality Control) Orders dated 12.03.12 and 04.12.15.
ii. Govt. has notified MMDR, Amendment Act, 2015 to streamline grant of Mining Leases in order to maintain sufficient availability of raw materials for various sectors including steel sector.
iii. To provide level playing field to the domestic steel producers, Govt. has imposed Minimum Import Price (MIP) on 66 steel products.
iv. Government has imposed in June.2015, an Anti- Dumping Duty on imports of certain variety of hot-rolled flat products of stainless steel from China ($309 per tonne), Korea ($180 per tonne) and Malaysia ($ 316 per tonne).
v. Hiked import duty on ingots & billets, alloy steel (flat & long), stainless steel (long) and non-alloy long products from 5% to 7.5% and non-alloy and other alloy flat products from 7.5% to 10%. This was further revised in August, 2015 on flat steel from 10% to 12.5%, long steel from 7.5% to 10% and semi-finished steel from 7.5% to 10%.

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